



# New Jersey Economic Update

March 14, 2016

## Summary

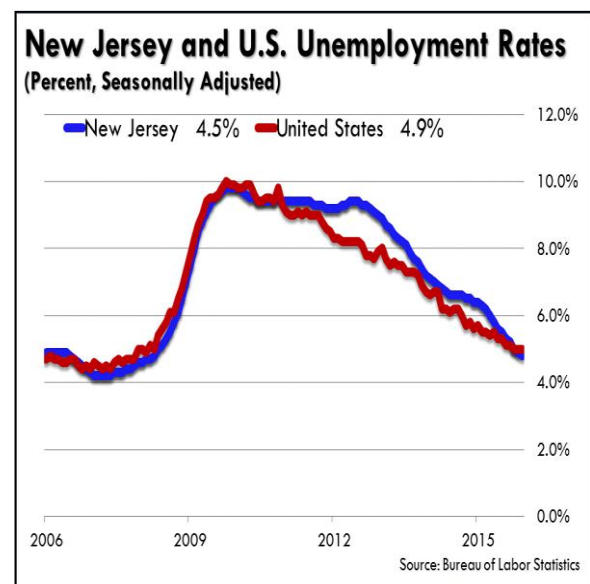
Nonfarm payroll employment in New Jersey declined by 14,100 jobs and the unemployment rate fell to 4.5 percent in January according to data released by the Bureau of Labor Statistics (BLS).

## New Jersey Unemployment Rate

During January, the unemployment rate in New Jersey declined by 0.3 percentage point to 4.5 percent. The number of people counted as unemployed fell by 12,845 in January to 207,204, while the labor force grew by 1,314 to 4,562,245. Among the 50 states and the District of Columbia, 18 posted lower unemployment rates for the month than New Jersey. A year earlier, the unemployment rate in New Jersey stood at 6.4 percent.

The 10 year peak for the unemployment rate in New Jersey was 9.8 percent in January 2010. The series high for the unemployment rate in New Jersey occurred in January 1977 when the unemployment rate reached 10.7 percent. The 10 year low for the unemployment rate in New Jersey was 4.2 percent in May 2007. The series low for the unemployment rate in New Jersey occurred in May 2000 when the unemployment rate reached 3.5 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 4.9 percent in February. February's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## New Jersey Payroll Employment

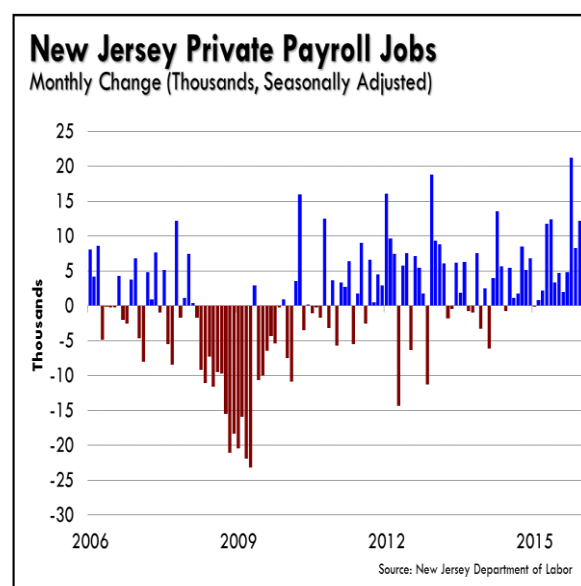
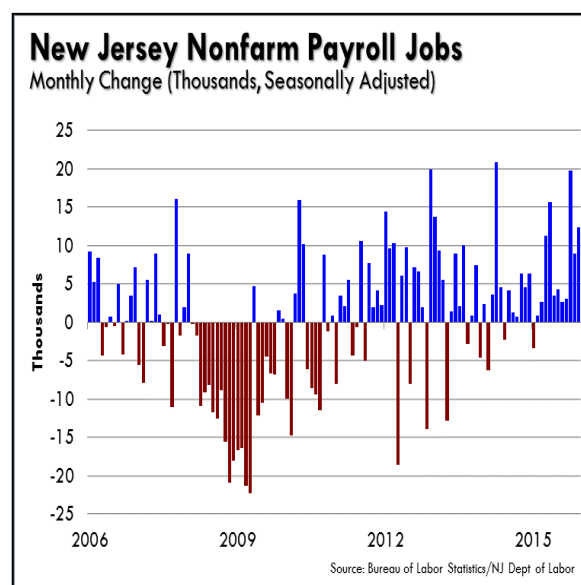
New Jersey nonfarm payrolls declined by 14,100 jobs, or 0.35 percent, on a seasonally adjusted basis during January. In the prior month, nonfarm payrolls increased by 12,400. Over the past 12 months nonfarm payrolls in New Jersey increased by 70,800, or 1.78 percent. New Jersey nonfarm payroll employment has increased in 11 of the past 12 months.

Nationally, nonfarm payrolls increased by 242,000 jobs in February, or 0.17 percent. Over the 12-month period ending February 2016 nonfarm payrolls grew by 2,672,000 jobs, or 1.9 percent. New Jersey ranks 19th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During January, New Jersey private sector payrolls declined by 10,800, or 0.31 percent. Private sector payrolls increased by 12,200 jobs in the prior month. Over the past 12 months, private sector payrolls in New Jersey increased by 72,900, or 2.16 percent. New Jersey private sector payroll employment has increased in 11 of the past 12 months.

Nationally private-sector payroll jobs increased by 230,000 jobs in 1.9, or 0.19 percent. Over the past 12 months, the nation's economy has added 2,597,000 jobs in the private sector, an increase of 2.18 percent. New Jersey ranks 19th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During January, total government payroll employment in New Jersey declined by 3,300, or 0.54 percent. Federal government payroll employment declined by 700, or 1.41 percent. State government payroll employment declined by 2,200, or 1.55 percent, while local government payroll employment declined by 400, or 0.09 percent.



Over the past year, total government payroll employment declined by 2,100, or 0.34 percent. State government payroll employment declined by 1,100, or 0.78 percent. Local government payroll employment declined by 800, or 0.19 percent.

The best performing sectors on a seasonally adjusted basis during January were Information (+1,800) and Trade, Transportation & Utilities (+1,000). The poorest performing sectors during the month were Professional & Business Services (-10,100) and Total Government (-3,300).

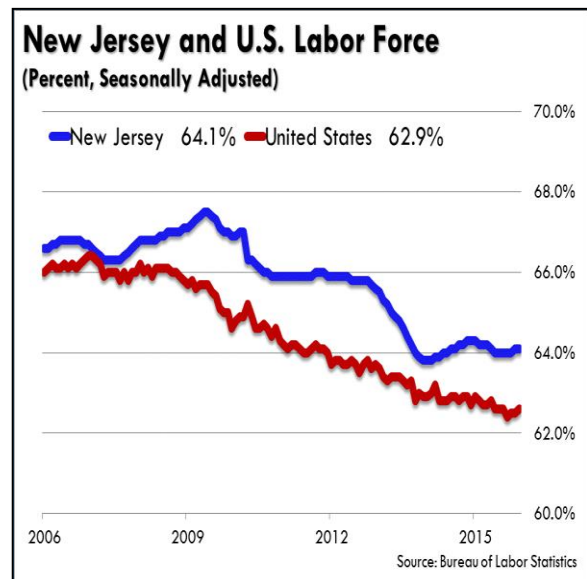
The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+19,100) and Educational & Health Services (+16,600). The poorest performing sectors for the year were Total Government (-2,100) and Mining & Logging (-100).

### Other New Jersey Labor Force Statistics

The labor force participation rate in New Jersey was unchanged at 64.1 percent in January. Among the 50 states and the District of Columbia, 21 have a higher labor force participation rate than New Jersey. The labor force participation rate in New Jersey is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in New Jersey was 67.5 percent in June 2009. The series high for the labor force participation rate in New Jersey occurred in March 1997 when the labor force participation rate hit 67.9 percent. The 10 year low for the labor force participation rate was 63.8 percent in February 2014. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 60.9 percent.

The national labor force participation rate rose by 0.2 percentage point to 62.9 percent in February, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the New Jersey civilian noninstitutionalized population 16 years and older counted as employed, rose to 61.2 percent in January from 61.1 percent the prior month. Among the 50 states and the District of Columbia, 21 have higher employment-to-population ratios than New Jersey. The employment-to-population ratio in New Jersey is 1.0 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in New Jersey was 63.8 percent in December 2006. The series high for the employment-to-population ratio in New Jersey occurred in April 2000 when the employment-to-population ratio hit 64.4 percent. The 10 year low for the employment-to-population ratio was 59.2 percent in December 2013. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 54.7 percent.

The national employment-to-population ratio rose by 0.2 percentage point to 59.8 percent in February. That rate was 0.5 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for February is scheduled for release on March 25, 2016. The national employment situation report for February was released on Friday, March 4, 2016.

